

# THE COMMONWEALTH OF MASSACHUSETTS OFFICE OF THE ATTORNEY GENERAL

# GOVERNMENT BUREAU ONE ASHBURTON PLACE BOSTON, MASSACHUSETTS 02108

(617) 727-2200 www.mass.gov/ago

#### **Initiative Petition Information Sheet**

Title of Petition: A Petition For A Law Limiting The Amount By Which Water Or Sewer Rates

May Be Raised To An Amount Not Greater Than Two And One-Half Percent Annually And Allowing For An Override Or Approval Of The Rate Increase By

A Ballot Election In Effected Municipalities.

Petition Number: 11-10

## **Proponents' Contact**

Name: Heidi Verougstraete

Residential Address: 1111 Steeple Run, Lawrenceville, GA 30043

Phone: (678) 848-2848 Fax:

Email: hveroughstraete@yahoo.com

Business Address: 2280 Satellite Blvd, Bldg B, Ste B, Duluth, GA 30097

Phone: (917) 745-6961 Fax:

### **Proponents' Attorney**

Name: Bill McDermott

Address: 1990 Centre Street, West Roxbury, MA 02132

Phone: (617) 323-0213 Fax: (617) 323-3384

Email: BillMcDermott@smlawl.com

#### **Optional:**

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will the proponents	propose a summary by	the Monday, 5 days after the petition-filing deadline?
<b>_X</b> _Yes	No	
Will the proponents	submit a memo of law	by the Friday 9 days after the petition-filing deadline?
_X_Yes	No	

Please note that the above information will be made available to the public and particularly to possible opponents of certification. The Proponent and Proponents' Attorney (if any) will receive copies of any materials submitted by the public regarding certification.

AGO Staff Person Receiving Petition: PS

Date: 8/2/2011

A **PETITION FOR A LAW** LIMITING THE AMOUNT BY WHICH WATER OR SEWER RATES MAY BE RAISED TO AN AMOUNT NOT GREATER THAN TWO AND ONE-HALF PERCENT ANNUALLY AND ALLOWING FOR AN OVERRIDE OR APPROVAL OF THE RATE INCREASE BY A BALLOT ELECTION IN EFFECTED MUNICIPALITIES.

Be it enacted by the People, and by their authority:

#### Section 1:

Section one of chapter one hundred sixty-five is hereby amended as follows:

Following the definition of "corporation" or "company", the following phrase is inserted:

Provided that, for the purposes of section 2A and 2C the term shall also include a city, a town, or another municipal corporation engaged in the distribution and sale of water or the maintenance of sewers and pipes in the Commonwealth.

#### Section 2:

Section two A of chapter one hundred sixty-five of the general laws is hereby amended to read as follows:--

Water or sewer districts and corporations shall file with the department schedules, on such forms as the department shall from time to time prescribe, showing all rates, prices and charged to be charged or collected within the Commonwealth for the sale and distribution of water or for the construction and maintenance of sewers.

#### Section 3:

Chapter one hundred sixty-five of the general laws is hereby amended by inserting after section 2B the following new section:--

Section 2C. Each schedule required to be filed pursuant to section two A shall be filed on or before the second Tuesday of January in each year commencing in 2013 which schedule shall state the rates currently paid for water and sewer uses as well as the proposed rates for the succeeding fiscal year commencing on July 1, 2013 and annually thereafter. The schedule shall also state the percentage of increase or decrease in water rates and/or sewer rates. The department shall complete its review of all schedules on or before the second Monday in April and shall so notify the corporation of its approval or disapproval by the first Monday in May.

Notwithstanding section 2B. the department shall not approve the implementation of any rate reported to it by a city, town, or other municipal corporation that exceeds by more than two and one-half percent the current fiscal yearly rate. Any rate greater than the two and one-half percent limit placed thereon shall be approved if the rate is accompanied by a certificate under the penalties of perjury and endorsed by three members of the board of registrars of voters, or election commissioners, or other board or commission having the authority under law to conduct elections in the municipality evidencing that a two-thirds majority of the registered voters recorded as having voted has approved a question submitted to those voters at a regularly scheduled municipal election or state election approving the rate in the form provided herein. Rate increases in excess of two and one-half percent shall not go into effect unless and until an election has been held on the increased rate by the municipality. The previous year's fiscal rate shall remain in effect.

Rate increases subject to section 2C which are scheduled to take effect in any fiscal year must be published in a local newspaper of general circulation at least six months prior to the holding of the next municipal or state election. The governing body of the municipality shall cause the rate increase question to be placed on the next succeeding municipal election or state election ballot.

Subject to section 2B, the municipal governing body of any city or town or other municipal corporation which is subject to the provisions of section two A shall, if it seeks a rate increase that exceeds by more than two and one-half percent the current fiscal yearly rate, seek voter approval by a question submitted to the voters of the municipality on the next municipal or state election ballot. The question submitted shall be worded as set forth below and as applicable depending on the nature of the increase proposed:

year]_	"Shall the (city/town of) be allowed to charge an increase of% (over the rate in effect for the fiscal year beginning July 1 st, [insert, to the water rate for the fiscal year beginning July 1st, [insert year]			
	Yes	No	"	
year]	"Shall the (city/town of	e for the fiscal ye	) be allowed to charge an increase of ear beginning July 1 <sup>st</sup> , [insert	
	Yes	No Summary		
Section	n 4:			

Section twenty A of chapter fifty-nine of the general laws is hereby amended to read as follows:--

"No county, district, public authority, the commonwealth, or other governmental entity authorized by law to assess costs, charges or fees upon cities and towns, except regional school districts, and regional water districts and regional sewerage districts as authorized by chapter 165 of the general laws, may increase the total of such costs, charges or fees by more than the sum of: (1) two and one-half percent of the total of such costs, charges or fees over the preceding fiscal year; and (2) any increases in costs, charges or fees for services customarily provided locally or for services subscribed to at local option."

#### Section 5:

If any bond issue for improvements related to water and/or sewer systems is in effect upon the date of the passage of this law and requires an increase of more than two and one-half percent of the water and/or sewer rate of any municipality or district, this law shall not be construed to prohibit or affect the procedure for approval of such increase.

#### Section 6:

The provisions of this law are severable and if any provisions thereof shall be held invalid, in any circumstances, such invalidity shall not affect any other provisions or circumstances. This law shall be construed in all respects so as to meet any constitutional requirements. In carrying out the purposes and provisions of this law, all steps shall be taken which are necessary to meet constitutional requirements.

#### Section 7:

Insofar as the provisions of this law are inconsistent with the provisions of any administrative order or regulation or any limitation imposed by a corporate or municipal charter, the provisions of this law shall be controlling.

#### Section 8:

This law shall take effect upon the certification of the biennial state election results by a vote of the governor's council.

We, the undersigned first signers, do hereby submit this Initiative Petition for a law limiting the increase of water rates in the Commonwealth to the Attorney General in accordance with Amend. Art. 48 Init., Pt. 2 §3.

Caleb J. Kirby
Karena Kirby
Stephen A. Wikman
Alexi Shukri
Charles R. Burrows, Jr.
Richard D. Callahan
Richard D. Weaver
Bruce Steele
Bryan Bell

René L. Peront Ruth E. Peront Emily Bell Ryan Wikman Christina Wikman Peter A. Bergquist